NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Proling Provision STANDARD LEASE v.5

PAID UP OIL AND GAS LEASE

(No Surface Use)	
THIS LEASE AGREEMENT IS INSIDE TO STUDIE PERSON	, 2000, hy and between
whose addresss is 3337 LET UCYN ALE INTERVICE FIRST LATER TEXT and, DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Suite 1870 Dallas Texas 75201, as Lessee. All printo hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by 1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, le described land, hereinafter called leased premises:	ad portions of this lease were prepared by the party Leasor and Leases.
	BLOCK 文章 TION, AN ADDITION TO THE CITY OF TO THAT CERTAIN PLAT RECORDED F TARRANT COUNTY, TEXAS.
in the County of Tarrant, State of TEXAS, containing // gross acres, more or less (including any interseveraion, prescription or otherwise). For the purpose of exploring for, developing, producing and marketing oil and gas, substances produced in association therewith (including geophysical/selernic operations). The term "gas" as used from commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also octand now or horeafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate of determining the amount of any shul-in royalties hereunder, the number of gross acres above specified shall be deemed of	along with all hydrocarbon and non hydrocarbon lerein includes helium, carbon dloxide and other evers accretions and any small strips or parcels of a consideration of the aforementloned cash bonus, description of the land so covered. For the purpose
2. This lease, whilch is a "paid-up" lease requiring no rentals, shall be in force for a primary term of FCUT as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premotherwise maintained in effect pursuant to the provisions hereof.	ilses or from lands pooled therewith or this lease is

Independent preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the tessed premises or tanks pooled therewith are capable of either production (or gas or other substances covered hereby in paying quantities or such well or wells are either shut-in or production there from is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this tesse. If for a period of 90 consecutive days such well or wells are shut-in or production there from is not being sold by Lessee, then Lessee shall pay shut-in royalty of one dollar per acre then covered by this tesse, such payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period withe the well or wells are shut-in or production, there from is not being sold by Lessee; provided that if this lesse is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled (trerwith, no shut-in royalty shall be due until the end of the 90-day period enext. following cessation of such operations or production. Lessee's failure to properly pay shul-in royally shall render Lesson liable for the amount due, but shall not operate to

Internate this lease.

4. All shut-in reveally payments under this lease shall be paid or londered to Lessor or to Lessor's credit in _at lessor's address above_ or its successors, which shall be Lessor's depository gent for receiving payments regardless of changes in the ownership of said land. All payments or lenders may be made in correctly, or by check or by draft and such payments or lenders to Lessor or to the depository by depository by depository payments or lenders are received as the last address known to Lessoe shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fall or refuse to accept payment haraunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution, or for any reason fall or refuse to accept payment haraunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution, or for any reason fall or refuse to accept payment haraunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

5. Except as provided for in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities (hereinatter called "dry hole") on the lessed producing in paying quantities (hereinatter called "dry hole") on the lessed producing of Paragraph 6 or the potential of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 80 days after completion of order drilling an additional well or for otherwise obtaining or restoring production. If at the end of the primary term, or at any lime thereafter, this lease is not otherwise being m

to (a) develop the leased premises as to formations their capable of producing in paying quantities on the leased premises or lands pooled inservant, or uncompensated definings by any well or wells located on other lands not pooled therewith. There shall be no coverent to drill exploratory wells or any additional wells except as expressly provided herein.

O. Leases shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all deplits or zones, and as to any or all substances covered by this leases, either before or after the commencement of production, whenever Leases deems it necessary or proper to do so in order to productly develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, provided that a larger unit may be formed for an oil well or gas well or a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, provided that a larger unit may be formed for an oil well or gas well or horizontal completion beath of the leasest of the

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands project therewith shall be reduced to the proportion that Lesson's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

If the interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's contenting that have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in connecting shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duty subhenticated copies of the documents establishing such change of connecting to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessor's usual form of division order. In the event of the death of any person entitled to shut-in royalties because. If at any time two or more persons are entitled to shut-in royalties to be credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or lender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and fallure of the transfers a full or undivided interest in all or any portion of the area covered by this lesse, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferse in proportion to the net acreage interest in all or any portion of the area covered by this lesse or any depths or zones there under, and shall thereupon be refleved of all obligations thereafter arising with respect to the luterest in all or undivided interest in all or any portion accordance with the retracege interest retained hereunder. 8. The interest of either Lessor or Lessoe hereunder may be easigned, devised or otherwise transferred in whole or in part, by area end/or by depth or zone, and the

in accordance with the not acreege interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of Ingress and agress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, disposal wells, injection wells, pits, electric and teleptonics lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport producition. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises except water from Lessor's wells on ponds. In exploring, developing, producing or marketing from the feased premises or stands pooled (therewith, the enscillary rights granded broth shall apply (a) to the entire lessed premises described in Paragraph 1 above, mobilitating any partial release or other partial termination of this lease; and (b) to any offer lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled threawith. When reconsisted by Lessee is not worked to the lessed premises or such other lands used by Lessee horsender, without Lessor's consent, and Lessee shall pay for demage caused by its operations to buildings and other improvements on other lessed premises or such other lands during the learn of this lease or within a reasonable line thereafter.

11. Lessee's oilligations under this lease, whether express or implied, shall be subject to all applicable laws, roles, regulations and orders of any governmental authority having jurisdiction including nostrictions on the drilling and production of wells, and the prince of oil, pas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such taws, rules, regu

time after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the lessed premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands projed therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to detend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, tevied or assessed on or against the lessed premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any rayalties or shut-n rayalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lesser's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lesses has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Leasee shall not have any rights to use the surface of the leased premises for drilling or other

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Leasor acknowledges that oil and gas lease payments, in the form of rental, bonus and royally, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence, Lessor recognizes that lease values could go up or down depending on market condillons. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to after the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessorsfull and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisoes, executors, administrators, successors and easigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE) Bennie Reth Wells BENNIE ROTH WILL By: ACKNOWLEDGMENT TIE OF TEL 5 J JNTY OF TAIL OUT This instrument was acknowledged before me on the STATE OF COUNTY OF JUNE a singk person JARWIN N. SCOTT Nulary Public, State of Notary Public, State of Texas My Commission Expires Notary's name (printed) Notery's commission expires October 31, 2010 STATE OF COUNTY OF 2008, This instrument was acknowledged before me on the

> Notery Public, State of Notary's name (printed): Notary's commission expires:



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

DALLAS

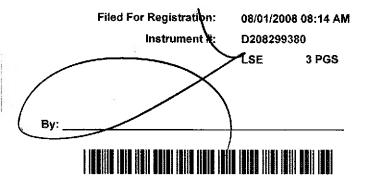
TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> <u>WARNING - THIS IS PART OF THE OFFICIAL RECORD.</u>

\$20.00



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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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